

**CHAPTER NO. 442**

**HOUSE BILL NO. 1975**

**By Representative McKee**

**Substituted for: Senate Bill No. 530**

**By Senators McNally, Miller**

AN ACT to amend Tennessee Code Annotated, Title 53; Title 63; Title 68 and Title 71, relative to pharmaceuticals and pharmacy.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 71-5-198(d), is amended by adding the following language at the end of the subsection:

The bureau of TennCare shall retain ultimate authority to negotiate and/or contract directly with a pharmaceutical manufacturer in the interest of implementing rebates or other cost saving measures and for other purposes permitted by this section. Notwithstanding anything under Tennessee law to the contrary, the bureau's designation of a negotiating agent shall not infringe upon the state's ability to negotiate and contract directly with pharmaceutical manufacturers.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.

**PASSED: May 27, 2005**

  
JIMMY RAIFEH, SPEAKER  
HOUSE OF REPRESENTATIVES

  
JOHN S. WILDER  
SPEAKER OF THE SENATE

**APPROVED this 17<sup>th</sup> day of June 2005**

  
PHIL BREDESEN, GOVERNOR